

# EXHIBIT 1

UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF TEXAS  
AUSTIN DIVISION

IN RE: ) CASE NO: 19-10926-TMD  
 ) CHAPTER 7  
 )  
ORLY GENGER, ) Austin, Texas  
 )  
 ) Wednesday, October 23, 2019  
Debtor. )  
 ) 1:58 p.m. to 2:28 p.m.  
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MOTIONS HEARING

BEFORE THE HONORABLE TONY M. DAVIS,  
UNITED STATES BANKRUPTCY JUDGE

APPEARANCES: See page 2

Courtroom Deputy: CRD Lopez

Court Recorder: ECRO Wallace

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CALENDARED MOTIONS:

MATTER:           DOC #106  
MOTION TO CONTINUE HEARING FOR DEBTOR  
ORLY GENGER;

STATUS HEARING DOC #76  
EXPEDITED MOTION FOR PROTECTIVE ORDER  
FOR CREDITOR ARIE GENGER;

STATUS HEARING DOC #62  
MOTION TO QUASH SUBPOENAS FOR DEBTOR  
ORLY GENGER;

STATUS HEARING DOC #88  
MOTION FOR PROTECTIVE ORDER FOR CREDITOR  
ERIC HERSCHEMANN;

STATUS HEARING SHOW CAUSE HEARING:  
RETENTION OF KASOWITZ BENSON TORRES, LLP;

STATUS HEARING DOC #31 MOTION FOR AN ORDER,  
PURSUANT TO BANKRUPTCY RULE 9018  
AND SECTION 107(b) OF THE BANKRUPTCY CODE,  
AUTHORIZING SAGI GENGER TO FILE UNDER SEAL  
CERTAIN OF THE EXHIBITS AND PORTIONS OF THE  
MOTION TO DISMISS BANKRUPTCY CASE OR,  
ALTERNATIVELY, TO TRANSFER VENUE,  
AND MEMORANDUM OF LAW IN SUPPORT FOR CREDITOR  
SAGI GENGER;

STATUS HEARING DOC #59  
APPLICATION TO EMPLOY SPECIAL COUNSEL,  
KASOWITZ BENSON TORRES, LLP FOR TRUSTEE  
RON SATIJA;

STATUS HEARING DOC #81  
MOTION TO EXTEND TIME TO FILE NOTICES OF REMOVAL  
OF CIVIL ACTIONS FOR TRUSTEE RON SATIJA;

STATUS HEARING DOC #60  
MOTION TO QUASH SUBPOENA FOR TRUSTEE RON SATIJA

APPEARANCES FOR:

**Debtor:**

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**Creditors:**

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DANIELLE N. RUSHING, ESQ. (via phone)  
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RAYMOND W. BATTAGLIA, ESQ.

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**Kasowitz Benson Torres:**

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**Ron Satija,  
Chapter 7 Trustee:**

BRIAN T. CUMINGS, ESQ.  
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401 Congress Ave., Suite 2700  
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**Interested Parties:**

SHELBY A. JORDAN, ESQ.

ANTONIO ORTIZ, ESQ.

Jordan Hyden Womble, et al.  
500 N. Shoreline, Suite 900-N  
Corpus Christi, TX 78401

1                   Austin, Texas; Wednesday, October 23, 2019; 1:58 p.m.

2                   **(Call to Order)**

3                   **THE COURT:** Please be seated.

4                   **(Pause)**

5                   **THE COURT:** I have a page here entitled parties in  
6 alignment. I see that everybody's aligned properly. I'm glad  
7 to see that. Mr. Taube, how do you pronounce the debtor's last  
8 name?

9                   **MR. TAUBE:** Genger, your Honor.

10                  **THE COURT:** Okay. Orly Genger, 19-10926, appearances  
11 in the courtroom.

12                  **MR. TAUBE:** Good afternoon, your Honor. Eric Taube  
13 on behalf of the debtor, Orly Genger.

14                  **MS. WILLIAMSON:** Your Honor, Deborah Williamson, on  
15 behalf of Arie Genger, the father.

16                  **MR. BOWEN:** Mike Bowen.

17                  **MR. BATTAGLIA:** Your Honor, Ray Battaglia, for Eric  
18 Herschmann. Mr. Herschmann is the debtor's spouse.

19                  **THE COURT:** And he lives in Austin?

20                  **MR. BATTAGLIA:** He lives in Austin. He's a non-  
21 filing spouse.

22                  **THE COURT:** Practices in New York.

23                  **MR. BATTAGLIA:** He's really still a partner with the  
24 firm, but I would say generally not practicing in the  
25 traditional sense.

1                   **THE COURT:** Locations are really important.

2                   **MR. BATTAGLIA:** Yes, he lives in Austin. His  
3 letterhead would still show, or the firm's website would still  
4 show him as a partner in the New York office.

5                   **THE COURT:** Okay.

6                   **MR. CUMINGS:** Good afternoon, your Honor. Brian  
7 Cummings for the Chapter 7 Trustee and the Chapter 7 Trustee is  
8 in the courtroom as well.

9                   **MR. LEMMON:** Your Honor, Steve Lemmon, I'm here for  
10 Sabrina Streusand today, who's out of town. We represent Sagi  
11 Genger. And this is Mr. Dellaportas from New York, your Honor.

12                  **MR. DELLAPORTAS:** Good afternoon, your Honor.

13                  **THE COURT:** Good afternoon.

14                  **MR. JORDAN:** Your Honor, I'm Shelby Jordan. I  
15 represent Dalia Genger and I also represent D&K GP, LLC.

16                  **MR. ORTIZ:** Antonio Ortiz, I also represent Dalia  
17 Genger and D&K, LLC.

18                  **THE COURT:** Okay. Appearances on the telephone?

19                  **MS. RUSHING:** Good afternoon, your Honor. Danielle  
20 Rushing, on behalf of Arie Genger.

21                  **(Pause)**

22                  **THE COURT:** Okay.

23                  **MR. BOWEN:** I don't know if this is --

24                  **THE CLERK:** The line's unmuted.

25                  **MR. BOWEN:** -- Judge, this is Mike Bowen, I'm with

1 the Kasowitz law firm, calling you from New York.

2           **THE COURT:** Okay. Thank you.

3           **(Pause)**

4           **THE COURT:** I thought maybe what I'd do is give you a  
5 piece of my mind, and then we'd kind of go from there. What,  
6 where we're headed at the end of today, is we're going to set a  
7 date and we're going to have a very short and succinct hearing  
8 to determine whether I should transfer venue of this case.

9           We're going to, we might have to have some discovery.  
10 It's hard for me to understand what could possibly not be  
11 discovered by now, after the better part of two decades of  
12 litigation. But, you tell me. Do you have copies of her  
13 passport? Probably ought to have that. Beyond that, I don't  
14 know. I mean, ten years, that, we can get around to dismissal  
15 if I keep the case. We can get around to that. It's probably  
16 a non-starter.

17           Texaco was solvent when it filed. But, it had a big  
18 creditor problem. Had a judgment that it couldn't, didn't have  
19 the capital and didn't have access to capital to bond. And so,  
20 the Court said, hey, that's a big creditor problem, that sounds  
21 like something bankruptcy would take care of. Now, I  
22 understand the two party dispute. I mean I could look at the  
23 schedules, and I can see that. But, I also think there's a  
24 creditor problem here.

25           And I've also heard allegations of fraudulent

1 transfers. We can do that in Bankruptcy Court. We can address  
2 fraudulent transfers. So, I mean, I'm just assuming everything  
3 that's in the motion to dismiss is true, gosh, this sounds like  
4 it ought to be in bankruptcy somewhere.

5 The 9019, of course, was very interesting. It raises  
6 the questions in my mind of, if the creditors, clearly the  
7 Trustee has the right to compromise the litigation. Or at  
8 least I think that's clear, you can convince me otherwise; I'm  
9 open to new arguments. It looks to me the Trustee would have  
10 that right. But, every creditor has the right to object to  
11 exemptions. So, if we're going to litigate the exemptions  
12 anyway, what does the settlement accomplish? That's part one.

13 Part two, I'm really glad, Mr. Satija, that you got  
14 advice of Counsel entering the settlement. That's not going to  
15 cut what we need to do at a 9019. I know I don't I have to  
16 have a mini trial. I'm aware of that law out there. There  
17 will be a mini trial on this one. I'm going to want to see  
18 wire transfers, I'm going to want to see the facts concerning  
19 whether or not the discovery rule applies, all those things I  
20 would need to see. So, we're not going to avoid, we're going  
21 to have something, we're going to look at this stuff. There's  
22 no doubt about that. If I keep the case.

23 Mr. Taube has heard this lecture before on excessive  
24 advocacy. I don't know how many of you others have. So, we've  
25 got this motion to dismiss. We've got an objection to debtor's

1 motion to continue. And we've got DK joinder to exemption to  
2 the objection. Two supposedly signed by, or prepared by  
3 Ms. Streusand, one by Mr. Jordan. I think one person wrote all  
4 three. And I don't think I need a linguistic algorithm to tell  
5 me that. And I know they weren't written by either  
6 Ms. Streusand or Mr. Jordan. Excessive advocacy. Only a few  
7 hours before the filing of this bankruptcy, the debtor  
8 described herself, again, her domicile Israel in her brief for  
9 en banc review to the Second Circuit Court of Appeals.

10                   **(Pause)**

11                   How much of what you write can I believe? That's  
12 false. Her statement spoke as of a point in time two years  
13 earlier. So, all three of these briefs, there's more time  
14 spent calling Orly a liar than there is on the substance of the  
15 motion. That kind of pleading I find disgusting and unhelpful.  
16 That's why I know that neither Ms. Streusand or Mr. Jordan  
17 prepared those briefs. If I keep this case, so.

18                   Yeah, here we don't serve subpoenas without  
19 consulting the party from whom discovery is sought ever. We  
20 don't serve on holidays. We don't demand production in two  
21 days. And as I said before, after ten years of litigation,  
22 what else is out there that hasn't been discovered?

23                   **(Pause)**

24                   The debtor will sit for a deposition. It will be  
25 limited to venue. Venue. Four hour deposition. And you all

1 decide who gets what of the four hours. But, it's only going  
2 to be four hours. I want to know when the deposition takes  
3 place, so I can be available. You'll bring me in by conference  
4 call. Everything I say and everything said to me will be on  
5 the record.

6 **(Pause)**

7 Now, what discovery do you need?

8 **(Pause)**

9 **MR. LEMMON:** Your Honor, Steve Lemmon for Arie  
10 Genger. The only, so our view is that assuming that there's no  
11 objections to the authenticity of the pleadings, and the Court  
12 opinions in New York --

13 **MR. TAUBE:** Your Honor, I just, I'm sorry, I didn't  
14 mean to interrupt.

15 **MR. LEMMON:** Oh, I said Arie.

16 **MR. TAUBE:** Yes, just want to make sure I correct it.

17 **MR. LEMMON:** No, thank you. I apologize, thank you  
18 for correct me. For Sagi Genger, yes.

19 **MR. TAUBE:** Sagi, thank you.

20 **MR. LEMMON:** So, assuming that there's no objections  
21 to the authenticity of the pleadings and the Court opinions in  
22 New York, your Honor, that solves 99 percent of the discovery  
23 that we --

24 **THE COURT:** Now, those Court opinions, I mean, just  
25 the two Forest opinions, they don't say anything about fraud.

1           **MR. LEMMON:** I agree, your Honor.

2           **THE COURT:** They don't say anything about perfidy.

3           **MR. LEMMON:** And, your Honor --

4           **THE COURT:** So, I, breach of contract and indemnity,  
5 that's it.

6           **MR. LEMMON:** I do not believe those issues to be  
7 relevant to the change of venue.

8           **THE COURT:** Okay.

9           **MR. LEMMON:** And so, I'm just addressing the venue  
10 issue.

11          **THE COURT:** Okay. Good.

12          **MR. LEMMON:** And so --

13          **THE COURT:** Now I think they are relevant to venue.

14          **MR. LEMMON:** -- and so, your Honor, the only other  
15 conceivable thing would be a copy of the debtors extension on  
16 their tax return, to see, and only to see the state that they  
17 show of, or where they show their residence to be. And that  
18 would have been the one filed 04/15/2019.

19          **MR. TAUBE:** Happy to do that, your Honor.

20          **MR. LEMMON:** And so, with that, your Honor, I'm not,  
21 I'm not even certain that the parties would even, because she's  
22 been questioned on these venue issues in the 341.

23          **THE COURT:** So, you don't need the deposition. We  
24 don't need it, let's not do it.

25          **MR. LEMMON:** Your Honor, I don't think we need it.

1                   **THE COURT:** Good.

2                   **MR. LEMMON:** And so, my view is that the movants are  
3 prepared to go forward with what documents exist on the venue  
4 hearing. And that, from our perspective, of course the debtor  
5 can show up and testify regarding venue facts, but we don't  
6 have to take any depositions.

7                   **THE COURT:** Okay. What about the authenticity and  
8 admissibility of those documents?

9                   **MR. LEMMON:** I'm hopeful, your Honor, that we can  
10 achieve a stipulation on those, on the Court documents, I'll  
11 call them. And if we can, then I would view as submitting all  
12 of those things, I don't, and of course I think that perhaps  
13 the parties can enter into a list of facts that we stipulate,  
14 and then facts that are in issue.

15                  **THE COURT:** Well, that would be great. It sounds  
16 ambitious, but.

17                  **MR. LEMMON:** Well, I, I would like for all of this to  
18 be addressed in New York by other lawyers, is my goal, your  
19 Honor.

20                  **(Pause)**

21                  **MR. TAUBE:** I'm speaking only for the debtor. We  
22 have similar documents that our briefs, where Sagi is taking  
23 the position that she lives in Austin, that we'll, I'm sure  
24 we'll be able to reach stipulations as to authenticity. I have  
25 a couple of other documents such as things like, which I'm

1 happy to produce to the other side, her driver's license, her  
2 voter's registration, similar types of issues. And I'm happy  
3 to provide the extension that was requested, properly redacted  
4 obviously, for certain information.

5           **THE COURT:** The, to the extent possible, dealing with  
6 redacted documents makes things a lot more challenging. I  
7 mean, I understand why somebody's, I don't quite understand how  
8 the non-debtor spouse's income is going to remain secret.

9           **MR. TAUBE:** I understand. And I'll --

10          **THE COURT:** I'm just kind of struggling with that.  
11 But, putting that aside --

12          **MR. TAUBE:** -- yes, sir.

13          **THE COURT:** -- I mean, the father's finances, okay.  
14 But, do we really need to talk about those in a venue hearing?

15          **MR. TAUBE:** I don't think we need to talk about, the  
16 only thing I was going to redact, your Honor, was her social  
17 security number, which I'm sure somebody has reams of  
18 information on already.

19          **THE COURT:** Even I would agree to that.

20          **MR. TAUBE:** I don't know what else would need to be  
21 redacted from the extension request, that was the only thing, I  
22 was limiting the reaction to the request for extension on the  
23 filing of the tax return. I've actually provided the tax  
24 returns previously to the Trustee, they have them. I mean, I  
25 may actually use the tax returns to show where she lists --

1                   **THE COURT:** The Trustee's on that side of the  
2 courtroom though, so.

3                   **MR. TAUBE:** -- he's right, yes, well, whatever the, I  
4 mean, again, your Honor, that's the only thing that we're going  
5 to be talking about is venue. Now, if they don't want a  
6 deposition, I do intend to have Ms. Genger present to testify.

7                   **THE COURT:** And I was thinking, well I don't know,  
8 this is getting, okay

9                   **MR. TAUBE:** So, I don't need any discovery.

10                  **THE COURT:** Do you need witnesses? Do you need  
11 people testifying?

12                  **MR. JORDAN:** Your Honor, if I might add, on behalf of  
13 Dalia Genger --

14                  **THE COURT:** You'll have two hours.

15                  **MR. JORDAN:** -- okay, but --

16                  **THE COURT:** Each.

17                  **MR. JORDAN:** -- I don't think we need, I mean, I don't  
18 think my clients need depositions. The only thing I think in  
19 discovery that I need, and it's, I know it's not up for today,  
20 but it is pending, is the access to the confidential documents  
21 that everybody else has, or the other parties have. And  
22 that's, other than that, of course I've always said I'll sign  
23 the confidentiality agreement and live by the terms of the  
24 confidentiality agreement, or a new one if they want, that  
25 would give me access to the documents. But, that's the only

1       thing, and I have to say that I don't know that I necessarily  
2       need them for venue, but I don't know if I need them for venue  
3       because I don't know what they say.

4                   So, that's my only issue on discovery for my client  
5       is, access to those documents that were marked confidential by  
6       the debtor or debtor's Counsel, or the parties that were  
7       involved in that, in the litigation in New York.

8                   **THE COURT:** Okay.

9                   **(Pause)**

10                  **THE COURT:** So, so far we've got one witness.

11                  **(Pause)**

12                  **MR. BATTAGLIA:** You opened the box a little bit,  
13       Judge. Ray Battaglia for Eric Herschmann. And if  
14       Mr. Herschmann needs to come and say he hasn't been in the New  
15       York office for 18 months, he'll come and say that. But, I'm  
16       not sure --

17                  **THE COURT:** I didn't follow what you just said.

18                  **MR. BATTAGLIA:** -- oh, you said that a location is  
19       important earlier.

20                  **THE COURT:** Yes, it is

21                  **MR. BATTAGLIA:** And I just wanted to point out  
22       Mr. Herschmann hasn't been in that office in 18 months. But,  
23       I'm not sure that testimony's necessarily relevant. I think  
24       he'll be available, whether he's testifying or not remains to  
25       be seen.

1                   As far as discovery on venue, we don't think there's  
2 a need for discovery. As far as admissibility of exhibits, I  
3 don't think we're going to have an issue authenticating  
4 pleadings. There were some 40 documents attached to the motion  
5 to dismiss, perhaps more, including a lot of pleadings, which  
6 have been their pleadings. I think there could be  
7 admissibility issues or relevance issues. But, as far as  
8 authentication, I don't think we're going to trouble the Court  
9 with whether this is a true and correct copy. And to the  
10 extent we can work that out, specifically, what's relevant for  
11 that hearing on venue, I'm sure we'll do it.

12                  **THE COURT:** And to be fair, the motion that was filed  
13 covered a lot more.

14                  **MR. BATTAGLIA:** Covered a lot more. But, I don't  
15 know what they plan to use. So, hopefully we can pare that  
16 down and hopefully that's not an issue. I fully expect to do  
17 that, because that's the way I've always worked with lawyers,  
18 with the caliber of the lawyers that were sitting here in the  
19 room.

20                  So, there are other issues, Judge, and I'm not, we're  
21 not waiving them. For example, Dalia Genger, we don't believe  
22 is a creditor of this estate. But, for purposes of standing on  
23 the motion for venue, that can rest for another day. I just  
24 don't want it to be taken as some kind of admission that  
25 Ms. Genger or D&K have standing in these cases.

THE COURT: Okay.

**MR. BATTAGLIA:** So, those are issues for another day.

3 Just one more thing, I have to comment, because you said it.

4 The debtor's spouse's income is not relevant. There is a  
5 prenuptial agreement and their post-marital income is separate  
6 property. So, there's a lot of issues that fly out of that  
7 that Mr. Herschmann's assets are not exposed at all here, and  
8 not relevant to the issues before the Court.

9                   **THE COURT:** Well, they're relevant to the means test,  
10 aren't they?

11 MR. BATTAGLIA: I'm sorry.

12                   **THE COURT:** Aren't they relevant to the means test?

13                   **MR. BATTAGLIA:** I don't think they are if she has no  
14 right to them.

15                   **MR. TAUBE:** And also, your Honor, this is not a  
16 consumer debtor.

17 MR. BATTAGLIA: Right.

18 | MR. TAUBE: So, I don't think the means test applies.

19 THE COURT: Okay.

20                   **MR. BATTAGLIA:** Again, issue for another day. I only  
21 say it because I heard what you said and my ears perked up.

23                   **MR. BATTAGLIA:** My ears perked up because you said  
24 something. I felt compelled to respond.

1                   **MR. TAUBE:** Your Honor, and I apologize, the only  
2 thing I wanted to add in terms of documents so the, again,  
3 trying to piece through the motion, and try to isolate on the  
4 venue issues and the venue facts was a little more difficult as  
5 I was preparing to come to Court today then I thought there  
6 might be. But, they've made a lot about the notes, I might  
7 want to introduce the notes themselves. There's two notes for  
8 seven and half million each.

9                   **THE COURT:** Do you have the documents that evidence  
10 the advances that gave rise to the notes?

11                  **MR. TAUBE:** Yeah, I'm not sure that I do, your Honor.  
12 I actually have the notes themselves. Yeah, these are  
13 different notes, I think your Honor, than what you're talking  
14 about.

15                  **THE COURT:** Oh, I was talking about the ones that  
16 were in the settlement agreement.

17                  **MR. TAUBE:** Yeah, these are notes actually, your  
18 Honor, that relate to the, if you look at the pleadings, I  
19 think it's in paragraph 14 of their motion to dismiss. They  
20 are talking about two \$7.5 million notes, and that those are  
21 the assets that are in New York, they say, and that's important  
22 to them for the purpose of the venue motion. And I have the  
23 notes, and I would like to get them into evidence so that the  
24 Court sees them. I hope there won't be any problem stipulating  
25 to the authenticity or copies of them. That's the only thing I

1 can think of that might be an issue.

2           **THE COURT:** Okay.

3           **(Pause)**

4           **MS. WILLIAMSON:** Your Honor, again, Deborah  
5 Williamson on behalf of Arie Genger. Your Honor, we don't  
6 anticipate, again, authenticity. Pleadings are what they are,  
7 we can all check on PACER or wherever it is, and make sure,  
8 yeah, that's a true and correct copy of what was filed.  
9 Again, if it was a pleading filed by Sagi, then it can be used  
10 against him. If it was a pleading filed by the other side, it  
11 because against them That's a different purpose and it can  
12 come in.

13           They did, in their motion for change of venue, attach  
14 a complete deposition of Mr. Genger. He said what he said in  
15 the deposition, your Honor. We don't believe the deposition  
16 should be admitted. If he need to be here and be present, he  
17 can be. But, I don't know that his deposition is relevant to  
18 the issue of Ms. Genger's venue, where she lives and what the  
19 evidence the Court will hear. And I don't know if we're going  
20 to have a dispute about that.

21           The other issue, your Honor, on confidentiality. We  
22 had submitted with our protective order, a proposed form of  
23 confidentiality. What we were told --

24           **THE COURT:** What are the subject matters of, what are  
25 we keeping confidential?

1                   **MS. WILLIAMSON:** -- we're trying to keep  
2 confidential, your Honor, well, there's a little bit of  
3 backstory here. They are asking, for example, if you gave them  
4 everything they asked for, your Honor, they would have Mr. Arie  
5 Genger's complete financial records. They would have  
6 appraisals of on his assets. They would have description and  
7 documentation for all his business dealings, with the Brosier  
8 (phonetic) family. None of that is relevant to this bankruptcy  
9 case, your Honor. But they've asked for that. So, part of the  
10 confidentiality issue is, and we do have, is what's --

11                  **THE COURT:** What is covered by the agreement, is  
12 there one agreement or are there multiple agreements?

13                  **MS. WILLIAMSON:** -- there is one existing agreement,  
14 your Honor, that was originally, my understanding, that Arie  
15 Genger was basically, agreed into. And we've attached that to  
16 our motion for protective order. So we, the Court has those,  
17 that prior confidentiality order.

18                  **THE COURT:** Okay. And that covers what? His assets  
19 and business dealings and --

20                  **MS. WILLIAMSON:** Well, those weren't produced. So,  
21 he's, they didn't ask for them before, they're asking for them  
22 now. And so, the prior confidentiality order, it was  
23 litigated, but with other Counsel. I mean, we were not there,  
24 that's the reason we proposed a new one here, using this  
25 Court's form. And my understanding, is that we, that Sagi's

1 Counsel, had agreed to the form with one caveat, which is they  
2 could share anything labeled confidential with anyone who  
3 claims to be a creditor. And that's a problem, because we  
4 don't know who a creditor is in this case right now.

5           **THE COURT:** Uh huh.

6           **MS. WILLIAMSON:** So, I don't, again, I don't think  
7 it's an issue for venue. But, I do want the Court to  
8 understand we're trying, we do see issues in the future on  
9 this. We'll continue to try to work them out.

10          **THE COURT:** What about Mr. Jordan?

11          **MS. WILLIAMSON:** Mr. Jordan? Your Honor, I don't  
12 know that Dalia Genger is a creditor. She hasn't a proof of  
13 claim.

14          **THE COURT:** What if she's willing to sign the  
15 confidentiality agreement?

16          **MS. WILLIAMSON:** Oh, if she'll sign the  
17 confidentiality agreement, I would think that we would be  
18 willing to do it. But, I mean, truly confidential, and not  
19 sharing with anybody else.

20          **THE COURT:** Yeah, I mean, you can't share with  
21 anybody that hasn't signed a confidentiality agreement.  
22 What's --

23          **(Pause)**

24          **MR. JORDAN:** Judge, the answer's almost obvious, I,  
25 if the confidentiality agreement restricts sharing, it won't be

1 shared. I'm not sure what Counsel was referring to.

2 **MS. WILLIAMSON:** You're --

3 **MR. JORDAN:** I've always offered to sign the  
4 confidentiality agreement that's been signed and live by it.  
5 That's in writing, delivered several times. That if I can just  
6 see the documents that everybody else has, not these new  
7 documents that are requested, I don't, I have not ever  
8 requested new documents or other documents. But, the one's  
9 that --

10 **THE COURT:** We have a limited number of parties to  
11 the litigation. That's the whole point of the bad faith  
12 business.

13 **MS. WILLIAMSON:** Right.

14 **THE COURT:** If the parties that are involved in this  
15 all sign the confidentiality agreement, then they should have  
16 access --

17 **MS. WILLIAMSON:** Yes, your Honor.

18 **THE COURT:** -- to the documents, and whatever terms  
19 the confidentiality agreement are. But surely, the  
20 confidentiality agreement says you can't give it to somebody  
21 that hasn't signed the agreement.

22 **MS. WILLIAMSON:** I believe it says, and I'll go back  
23 and verify your Honor, we were told that what we had attached  
24 was not acceptable. If you look at their response to motion  
25 for protective order, they said they want the right to share

1 with other creditors. If they'll withdraw that request, and --

2 **THE COURT:** They'll withdraw that request.

3 **MS. WILLIAMSON:** -- then your Honor, we have no  
4 problem sharing, as long as they sign the confidentiality  
5 order. Agreement.

6 **THE COURT:** Okay.

7 **(Pause)**

8 **THE COURT:** Sure.

9 **MR. DELLAPORTAS:** So, I believe with regard to the  
10 confidentiality order --

11 **THE CLERK:** State your name, please.

12 **MR. DELLAPORTAS:** -- oh, I'm sorry, John Dellaportas,  
13 for Sagi Genger. With regard to the confidentiality order, I  
14 don't think we meant everyone who claims to be a creditor. I  
15 think just the ones, essentially, in this room today.

16 **THE COURT:** Well, it's the people that sign the  
17 confidentiality agreement.

18 **MR. DELLAPORTAS:** Understood. Yes, your Honor. I  
19 just wanted to understand your Honor's, limiting comments  
20 briefly, significantly just to venue. So, just one comment on  
21 Ms. Williamson's concern about the use of the Arie Genger  
22 deposition transcript.

23 **THE COURT:** Okay.

24 **MR. DELLAPORTAS:** And just because, I'm addressing it  
25 just because I took that deposition. So, that deposition,

1       she'll correct me if I'm wrong, but it was taken, I believe, in  
2 May. Which is after the debtor said she moved here. We asked  
3 the debtor's father where his daughter lived, and he said she  
4 lived in Israel. So, that's really the only purpose we want to  
5 use it for. It's like --

6                   **THE COURT:** That's sounds relevant.

7                   **MR. DELLAPORTAS:** Yeah.

8                   **MS. WILLIAMSON:** But, your Honor --

9                   **MR. DELLAPORTAS:** We don't need to use the rest.

10                  **MS. WILLIAMSON:** -- that was my point. We have no  
11 problem with, excuse me Deborah Williamson, no problem with  
12 that quote being used. It's the entire deposition they  
13 attached. So, I have no problem with stipulating, yes, this is  
14 what he testified to and when he testified to --

15                  **THE COURT:** Yeah, I'd rather not read the whole  
16 transcripts of depositions. I would rather just --

17                  **MR. DELLAPORTAS:** Understood, your Honor.

18                  (**Pause**)

19                  **THE COURT:** -- what I'm wondering out loud, it might  
20 be helpful for me to see some of this stuff in advance.

21                  (**Pause**)

22                  And so, we'd be talking about excerpts from  
23 depositions that are relevant. Possibly documents. You all  
24 need to exchange your documents in advance of the hearing.

25                  **MR. TAUBE:** I think they're due Friday, your Honor.

1 And that was when we had planned on exchanging them, unless the  
2 Court has an earlier timeframe. I'll be with Judge Mott  
3 tomorrow afternoon, or tomorrow, but.

4 **THE COURT:** I think Friday sounds fine.

5 **MS. WILLIAMSON:** Are we still --

6 **THE COURT:** And you'll be ready to go on Thursday,  
7 then.

8 **MR. TAUBE:** Your Honor, I read the Court's order,  
9 that's when you said I should be here, and we'll be here and be  
10 ready.

11 **(Pause)**

12 **THE COURT:** Wake my computer back up.

13 **(Pause)**

14 **THE COURT:** Why don't you meet and confer over the  
15 weekend and Monday. And then, you're going to have to get hard  
16 copies, I'll get you an address, you're going to have to Fed Ex  
17 them to me at my apartment in Houston. I have some venue  
18 issues of my own.

19 **MR. TAUBE:** Yes, sir.

20 **THE COURT:** And so, I, basically if Monday night for  
21 Tuesday delivery, you can Fed Ex what you've agreed to on the  
22 exhibits. And then, I envision getting here are the exhibits  
23 we all agree are admissible and authentic. Here are the  
24 proponents of the change in venue have exhibits that the other  
25 side doesn't agree to. And the folks that want to stay in

1 Austin have a set of exhibits they want to get in that the  
2 other side doesn't agree to, and that's fine. But, give me the  
3 exhibits in those categories, so I understand where the fight's  
4 coming.

5 **MR. TAUBE:** Yes, sir.

6 **THE COURT:** And then, we might have to spend some  
7 time resolving the admissibility issues. And we can do that if  
8 we need to.

9 **MS. WILLIAMSON:** Your Honor, I think it would be  
10 helpful if Counsel would also designate those portions of the  
11 depositions they would, of any deposition they would like to  
12 use.

13 **THE COURT:** Yes.

14 **MS. WILLIAMSON:** And we have a chance to then, decide  
15 do we want to object or do we want to supplement. And I'm more  
16 than willing to do that.

17 **THE COURT:** Yes. So ordered.

18 **MR. TAUBE:** And I'm assuming, your Honor, that since  
19 Ms. Genger will be here, and obviously they can use the 341 if  
20 they think that her testimony is inconsistent. But, that  
21 wouldn't be coming in except for impeachment purposes.

22 **THE COURT:** Okay.

23 **MR. TAUBE:** But, if they want to use the 341 for  
24 something else, I assume they'll tell me.

25 **(Pause)**

1                   **THE COURT:** Okay. Anything else?

2                   **MR. BATTAGLIA:** Your Honor, just for my muddled mind,  
3 we're going forward on venue and the basis you've discussed  
4 here. The other matters that previously have been set, in our  
5 now status conference, you'll tell at some point at that  
6 hearing or after that hearing, what we're doing with the rest  
7 of this.

8                   **THE COURT:** If I keep the case.

9                   **MR. BATTAGLIA:** Understood.

10                  **THE COURT:** Otherwise, somebody else will.

11                  **MR. CUMINGS:** Yeah, Brian Cumings for the Chapter 7  
12 Trustee, your Honor. There is a deposition that was noticed of  
13 the Trustee for tomorrow. My understanding is, at this point  
14 in time, it's not necessary because no one wants his deposition  
15 for the venue. But also, Mr. Taube, I believe Ms. Williamson  
16 and Mr. Battaglia, were never available for that date. So, I  
17 guess this is really more of a question for Counsel if they  
18 want to keep that deposition. If they do --

19                  **THE COURT:** You need his deposition for venue? Okay,  
20 well, then the deposition is off.

21                  **MR. CUMINGS:** Thank you, your Honor.

22                  **THE COURT:** For now.

23                  **MR. JORDAN:** And your Honor, Shelby Jordan, one  
24 clarification, will I be getting a, the confidentiality order  
25 from somebody that's got authority to let me sign it and then,

1 be able to get the documents?

2 **MS. WILLIAMSON:** If you'll look at the one that was  
3 attached to our motion for protective order, and provide  
4 comments to me, I think we can resolve.

5 **MR. JORDAN:** Okay. All right.

6 **THE COURT:** Okay. Good.

7 **(Pause)**

8 And then we're scheduled to go on --

9 **MR. TAUBE:** -- the 31st at 9:00.

10 **THE COURT:** 31st at 9:00 a.m.?

11 **MR. JORDAN:** Yes, sir.

12 **THE COURT:** Okay. That's sounds good. I'll see you  
13 all then.

14 **MR. TAUBE:** Thank you, your Honor.

15 **MR. JORDAN:** Thank you, your Honor.

16 **MS. WILLIAMSON:** Thank you, your Honor.

17 **(Proceeding ended 2:28 p.m.)**

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CERTIFICATION

I certify that the foregoing is a correct transcript from the electronic sound recording of the proceedings in the above-entitled matter.



October 24, 2019

Signed

Dated

*TONI HUDSON, TRANSCRIBER*